



**OFFICE OF THE GOVERNOR**

**ROD BLAGOJEVICH - GOVERNOR**

# NEWS

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## **GOVERNOR ANNOUNCES INITIATIVE TO IMPROVE AFRICAN-AMERICAN AND LOCAL JOB/CONTRACTING OPPORTUNITIES ON RYAN/KINGERY RECONSTRUCTION**

***Creates Small Business Set Aside and Job Training Program;  
Increases Disadvantaged Business Enterprise Goal to Provide  
Real and Fair Contracting Opportunities for  
African-American Businesses***

**CHICAGO** – Governor Rod R. Blagojevich today announced his initiative to bring more opportunities to small businesses and local residents who want to work on the Dan Ryan and Kingery Expressway Reconstruction projects. The initiative calls for setting aside a portion of this summer's contracts for small businesses, increasing the Disadvantaged Business Enterprise (DBE) goal and creating a pre-apprentice, on-the-job training program for women and minorities.

"Reconstructing the Ryan and the Kingery holds a lot of promise and should hold a lot of opportunities for the people who call the neighborhoods around them home," Gov. Blagojevich said. "Unfortunately, that hasn't been the case. Less than 10% of the jobs are going to local residents and only 4% of the contracts are going to African-American businesses, in a community that is 97% African-American. That's unacceptable and it will change."

Earlier this year, the U.S. House of Representatives' Committee on Government Reform Special Investigations Division responded to a request by Congressman Bobby Rush (D-Ill) to research construction contracts on the Dan Ryan Expressway Reconstruction Project. The study concluded that local firms were not benefiting from the \$600 million project.

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“The results of the study clearly showed that minorities were being shut out of jobs and opportunities to work on the Dan Ryan Expressway Reconstruction Project. I shared the report with Governor Blagojevich and I’m pleased to see that he’s moving rapidly to reverse this trend,” said Congressman Rush “I will keep fighting on my end in Washington to change the federal rules to ensure a leveled playing field for this project.”

Earlier this month Governor Blagojevich requested a waiver from federal rules in order to implement a local hiring preference for contractors to employ residents that live along the Dan Ryan. Current federal rules make it very difficult to ensure that these projects will directly benefit the communities they most impact. The U.S. Department of Housing and Urban Development has designated the 22 African-American communities that surround the Dan Ryan as “distressed” because of poverty and high unemployment rates.

“We can not sit back and watch as communities that should be getting an economic boost from the reconstruction efforts in their own backyard, are being left out because federal rules are tying our hands,” Senator James Meeks (I-Calumet City) said. “We applaud Governor Blagojevich for taking a stand and working with us to put African-Americans and small businesses in these neighborhoods to work.”

As Illinois waits to hear back from the federal government on the waiver request, the construction season is beginning to gear up. That is why Governor Blagojevich is moving forward now with his initiative that will put people in the 22 HUD designated “distressed” communities to work this construction season.

“We have to do something now in order to put people to work this summer as the contracts are getting lined up,” Representative Marlow Colvin (D-Chicago) said. “Governor Blagojevich is doing the right thing in moving forward now, rather than waiting to hear back from the federal government.”

The Illinois Department of Transportation will take bids on approximately \$39 million worth of contracting opportunities in June for work along the Dan Ryan and Kingery. IDOT has broken apart seven larger contracts, worth approximately \$4 million, into smaller contracts. These contracts will be set aside and may only be bid on by firms with \$10 million or less in annual revenues.

Also, IDOT has raised the Disadvantaged Business Enterprise goal on the remaining \$35 million worth of contracts to 35% from the current statewide goal of 22%. IDOT is also hosting a mandatory pre-bid meeting for firms interested in bidding on the contracts at the IDOT Emergency Traffic Patrol Center at 35<sup>th</sup> and Normal on Thursday, May 26, 2005.

In order to boost local employee participation on the Dan Ryan, Governor Blagojevich is seeking a waiver for a local hiring preference from the U. S. Department of Transportation. In the meantime IDOT is working with union halls to voluntarily select members from the zip codes within the Dan Ryan and Kingery projects. Thus far the Laborers and Carpenters Unions have agreed to do this voluntary program.

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In addition, the Department is moving forward with an innovative on-the-job training program that will provide 100 trainee slots on the project for one year. IDOT will pay the salaries for the trainees for one year at a cost of approximately \$2.5 million.

“This is an important investment for us to make, providing valuable job skills to men and women who live in a community designated by the federal government as “distressed” because of poverty and high unemployment rates,” Gov. Blagojevich said. “We’re providing them with the skills to have a career that will allow them to support their families.”

The 100 trainee spots will be broken down into union trade and transportation-related jobs as follows:

- 30 Union Trade slots—IDOT will pay salaries for 20 laborer trainees and 10 carpenter trainees for up to a year from June 15, 2005 through June 15, 2006.
- 70 transportation related jobs—IDOT will pay salary of up to \$10 per hour for trainees in jobs such as, surveying/layout, documentation and material quality control.

United Services will administer the training program in partnership with the contractors on the Ryan/Kingery projects. They will recruit, screen and test potential trainees by establishing community intake centers in underserved communities such as Englewood, Grand Boulevard, Washington Heights and Auburn Gresham.